

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency  
Washington, DC 20250

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**Direct and Counter-Cyclical Program**  
**1-DCP**

**Amendment 31**

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**Approved by:** Deputy Administrator, Farm Programs



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**Amendment Transmittal**

**A Background**

Subparagraph 5 C has been amended to provide a print command.

Subparagraph 53 A has been amended to add:

- cropland acreage enrolled in EWP
- cropland and DCP cropland acreage enrolled in GRP.

Subparagraph 66 A has been amended to provide instructions for completing CCC-505 when DCP base acres are reduced because of enrollment into GRP.

Subparagraph 353 B has been added to provide that CCC-509 shall not be revised after September 30 of the applicable FY.

Subparagraph 426 I has been amended to provide that land enrolled in CRP or GRP is not eligible to be enrolled in DCP.

Subparagraphs 426 J and K have been added to provide that land under any of the following is not eligible to be enrolled in DCP:

- CRP-1
- CRP easement
- CRP practice lifespan requirement
- GRP.

Paragraph 426.5 has been added to provide procedure for determining reduction acres when land is enrolled in CRP or GRP.

Subparagraph 445 C has been amended to refer to 2-DCP to determine when advance direct and counter-cyclical payments may be requested and issued.

Exhibit 15 has been amended to be consistent with 7 CFR Part 1412.407.

**Amendment Transmittal (Continued)**

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## 5 DD Responsibilities

### A Responsibility

DD's shall ensure that COC's and CED's follow provisions in this handbook.

### B Reviewing County Office Procedures

DD's shall:

- review County Office procedures to ensure that County Offices comply with requirements established by the State Office
- review all CCC-509's and CCC-490's disapproved by COC
- provide SED with a written report of all reviews.

### C Preparing DD Base and Yield Adjustment Report

DD's shall prepare a current DD Base Acreage and Yield Adjustment Report by running query "FARMXXXX" according to 3-CM, paragraph 376.

**Note:** The "XXXX" in the query name shall be replaced by FY for which the report is being run. For example, to run a 2002 DD Base Acreage and Yield Adjustment Report, the County Office will run query "FARM2002".

The report must be printed in landscape format for all farm data to print on a page. To print \*--in landscape format, ENTER "PRINT P1,68,8,15,,90" on a command line before printing.--\*

**Notes:** Replace "P1" with the printer number to be used to print the report.

Printer will continue to print landscape until changed or system is logged off.

The DD Base Acreage and Yield Adjustment Report lists base acreage and payment yield adjustments made on active farms in FY for which the report was printed. Each adjustment on the report includes the following:

- status code
- year
- farm number
- tract number
- crop code
- base acreage adjustment code
- base acreage adjustment date
- direct payment yield adjustment code
- direct payment yield adjustment date
- counter-cyclical payment yield adjustment code
- counter-cyclical payment yield adjustment date.

**Note:** Each time the report is processed all adjustments for FY are listed.

## 5 DD Responsibilities (Continued)

### \*--D How to Review Adjustments

After preparing the DD Base Acreage and Yield Adjustment Report, review base acreage and yield adjustments according to this table.

Step	Action
1	Review all adjustments not included in the previous review.
2	Verify the following: <ul style="list-style-type: none"> <li>• adjustments were authorized and approved according to procedure</li> <li>• amount of adjustment is correct</li> <li>• base acreage and/or yield is correct.</li> </ul>
3	Verify that the frequency of each type of adjustment is reasonable considering: <ul style="list-style-type: none"> <li>• type of adjustment</li> <li>• number of the same type of adjustments approved in other County Offices in the district.</li> </ul>
4	Verify that the total number of adjustments is reasonable.
5	If an excessive number of adjustments for corrections were made, ensure that the cause of the error is: <ul style="list-style-type: none"> <li>• recognized</li> <li>• alleviated.</li> </ul>
6	Considering the type of adjustment, verify that adjustments were made in a timely manner.
7	Ensure that: <ul style="list-style-type: none"> <li>• all errors are corrected</li> <li>• procedure is uniformly interpreted.</li> </ul>

### E When to Review Adjustments

DD's shall review current year base acreage and yield adjustments as often as possible but no less than twice each FY for each County Office.

- The first review shall be completed at least 2 weeks before November 30 of each FY.
- The second review shall be completed at least 2 weeks before August 1 of each FY.
- Additional reviews may be made as determined necessary by DD or STC.--\*

## 52 Late-Filed Acreage Reports (Continued)

### B Who May File FSA-578

County Offices shall accept FSA-578 certification from 1 of the following:

- 2002 farm operator
- farm owner
- person authorized by power of attorney
- 2002 tenants and share croppers, but only for crop acreage for which the person has a share.

## 53 Base Limitations

### A Limitation

The total of the following shall not exceed the DCP cropland acreage on the farm, except to the extent there is an established double-cropping history on the farm:

- all base acres on the farm, including peanut base acres

**Note:** See paragraph 54 for establishing base acreage for a farm.

•\*--any cropland acreage enrolled in:

- CRP
- EWP
- WBP
- WRP
- any cropland or DCP cropland acreage enrolled in GRP--\*
- any cropland acreage on the farm enrolled in any conservation program for which payments are made in exchange for not producing an agricultural commodity.

**Note:** See subparagraph 426 I if the agreement allows haying and/or grazing on the land under normal conditions.

## 54 Base Election

**A Election by Owner of Base Acres**

Owners of a farm have until April 1, 2003, to make an election of the base acreage by selecting 1 of the following options.

- **Option 1.** Retain 2002 PFC acreage.
- **Option 2.** Retain 2002 PFC acreage, and add oilseed acreage **without** PFC offset. The **\*--**eligible oilseed acreage **for each crop year** from 1998 through 2001 is the total planted and prevented planted acres of covered commodities on the farm for the applicable crop year, minus the 2002 PFC acres.

**Note:** If this calculation results in a negative number, the eligible oilseed acreage for that crop year shall be **0.0** acres.

The eligible oilseed acreage for a **farm** is the 4-year average of the eligible acreage for each crop year, as determined above, except that eligible oilseeds may not exceed the 4-year average of the total planted and prevented planted oilseed acres.--\*

- **Option 3.** Retain 2002 PFC acreage, and add oilseed acreage **with maximum** PFC offset. The oilseed acreage is the 4-year average acreage of each oilseed planted and/or prevented planted on the farm from 1998 through 2001.
- **Option 4.** The farm's base will be the average of the acreage, from 1998 through 2001, of each covered commodity planted and/or prevented planted on the farm. This is the only option available to all farms having acreage history.

**Note:** The average acreage of each covered commodity is based upon a 4-year average from 1998 through 2001, regardless of the number of years the commodity has planting history.

- **Option 5.** Retain 2002 PFC acreage, and add oilseed bases with PFC offset between minimum (Option 2) and maximum (Option 3).



## 66 Completing CCC-505

## A Instructions

To request a voluntary permanent reduction of DCP base acreage, complete CCC-505 according to this table.

Item	Instruction	
1	Enter the State and county code where the farm is administratively located.	
2	Enter farm number where DCP base acres shall be reduced.	
3	<b>IF CCC-505 is...</b>	<b>THEN enter program year...</b>
	being prepared as a prerequisite for participation in CRP *--or GRP	<ul style="list-style-type: none"> <li>for CRP, equal to the effective date of CRP-1</li> </ul> <p><b>Note:</b> The program year on CCC-505 shall equal FY CRP-1 becomes effective.</p> <p><b>Example:</b> Producer completes and signs CCC-505 during CRP signup 26. If the CRP offer is accepted:</p> <ul style="list-style-type: none"> <li>CRP-1 will be effective October 1, 2003</li> <li>DCP base acre reduction is effective October 1, 2003</li> <li>CCC-505 program year is 2004.</li> </ul> <ul style="list-style-type: none"> <li>for land enrolled in GRP under: <ul style="list-style-type: none"> <li>rental agreement, equal to date CCC-920 is approved by COC</li> <li>easement, equal to date GRP easement is filed.</li> </ul> </li> </ul>
	completed for reasons other than CRP or GRP--* participation	equal to FY CCC-505 is approved by COC.
4	Enter the reason DCP base acres are being reduced. If "other", specify reason.	
5	Enter the tract numbers where DCP base acres shall be reduced.	
6	For the tract numbers in item 5, enter commodity for which DCP base acres shall be reduced.	
7	Enter the tract level direct payment yield for the commodity entered in item 6.	
	<b>Important:</b> The tract level yield may be different than the farm level yield for the commodity.	
8	Enter the tract level counter-cyclical yield for the commodity entered in item 6.	
	<b>Important:</b> The tract level yield may be different than the farm level yield for the commodity.	
9	For the tract numbers in item 5, enter the total DCP base acres for the commodity in item 6 before reduction.	
10	Enter the total DCP base acres for the commodity in item 6 to be reduced on tract numbers in item 5.	
11	For the tract numbers in item 5, enter the total DCP base acres for the commodity in item 6 after reduction (column 9 minus column 10).	

## 66 Completing CCC-505 (Continued)

## A Instructions (Continued)

Item	Instruction
12	Enter the total number of DCP base acres to be reduced for the farm number entered in item 2 (total of column 10).
13	Enter the total number of DCP base acres on the farm number in item 2 before reduction.
14	Enter the total number of DCP base acres on the farm number in item 2 after reduction (item 3 minus item 12).
15 A	Requestor, if other than owner, shall sign and date.
15 B - D	All owners shall sign and date.  <b>Exception:</b> All owners are not required to sign, provided owners having an undivided interest who collectively have more than a 50 percent ownership interest in the farm sign and date CCC-505.
16	<p>*--If DCP base acres are being reduced because of enrollment into:</p> <ul style="list-style-type: none"> <li>• CRP on or after May 13, 2002, and before October 1, 2007, enter CRP-1 number and CRP-1 effective date</li> <li>• GRP, enter: <ul style="list-style-type: none"> <li>• CCC-920 number and beginning date of contract period for land enrolled under rental agreement</li> <li>• System 36 application number and date easement is filed for land enrolled under an easement.</li> </ul> </li> </ul> <p><b>Important:</b> File copy of CCC-505 in DCP folder and CRP or GRP folder, as applicable.--*</p>
17	COC shall indicate if CCC-505 is approved or disapproved.
18	COC, or representative, shall sign and date.
19	Enter County Office name, address, and telephone number.

## B Processing CCC-505

Process CCC-505 according to this table.

Step	Action
1	Ensure that all DCP base acreages and reductions are listed.
2	Ensure that all applicable owner signatures are present and properly executed.
3	<p>If all applicable owners do not sign CCC-505, COC shall:</p> <ul style="list-style-type: none"> <li>• act on the request if a reduction is required to comply with DCP</li> <li>• disapprove, sign, and date, if a reduction is not required to comply with DCP.</li> </ul> <p>If all applicable signatures are obtained, COC or designee may approve CCC-505; however, approval is <b>not</b> necessary.</p>
4	<p>Reduce the base acreage that exceeds effective DCP cropland in farm maintenance according to 3-CM.</p> <p><b>Note:</b> Ensure that CCC-505 is properly executed before making these reductions or processing CCC-509.</p>
5	Date stamp and retain CCC-505.

**353 Approval of CCC-509****A Approval of CCC-509 for Enrollment and Payment**

CCC-509 shall be approved for enrollment, and DCP payment shares approved when:

- all producers sharing in the payments:
  - agree to the payment shares and sign CCC-509
  - have complied with rules for division of payments according to paragraph 354
  - are not attempting to circumvent payment limitation rules

**Exception:** See subparagraph 390 A.

- owner signature requirements have been met, for cash rented land, according to subparagraph 390 E.

**Note:** COC shall ensure that the interests of tenants, sharecroppers, and landowners are protected according to paragraph 355.

COC may approve CCC-509 without requiring signatures of zero share **producers**, provided that a valid payment share dispute has **not** been filed.

**\*--B Revising CCC-509**

Revisions to CCC-509 shall **not** be made after September 30 of the FY.

**Note:** See subparagraph 802 B for County Office procedure for revising CCC-509.--\*

**\*--354 Division of Payments, Rules, and Examples****A Division of Payment Guidelines**

There are multiple factors that may influence the proper division of direct and counter-cyclical payments. In reviewing the DCP contract division of payment and shares, COC's should consider:

- past history on a farm
- whether the producers claiming a DCP payment share have control of DCP cropland to support base acreage
- the level of risk in the production of the crop being grown on base acreage
- whether the CCC-509 shares provide equitable treatment to all of the producers on the farm.

**B Example**

A landowner has leased his or her farm for a half share of the crop (inputs were divided equally) for the years 1996 through 2001, and the acreage was shared equally by the landowner and tenant. The farm grows 700 acres of winter wheat each year and 700 acres are summer fallowed. PFC were divided equally.

The landowner and tenant agree to the following shares and have signed CCC-509:

	<u>Landowner</u>	<u>Tenant</u>
Wheat	100 percent	0 percent

The landowner is leasing only the 700 acres planted to wheat to the tenant for a 50 percent share of the crop. The landowner will operate the 700 acres of summer fallow.

COC shall not approve this contract because of the past history of the farming operation. Shares do not have to be divided equally, but should be consistent with the farm's present operation status.--\*

**426 Eligible and Ineligible Land Uses for Base Acreage (Continued)****\*--H Land Under State or Other Conservation Programs or Restrictive Easements other than WRP, WBP, or EWP Flood Plain Easements (Continued)**

**Example 2:** Land is placed under a restrictive easement that prohibits all cropping, haying, and grazing of the acreage. The restrictions prohibiting cropping, haying, and grazing are effective when the producer signs the applicable program agreement.

**Note:** The program agreement is signed before the easement is filed.

The program agreement is signed on September 1, 2004. The easement is filed on November 4, 2004. The land under easement is ineligible for DCP beginning FY 2004.

Once the land under easement is not eligible for DCP, County Office shall:

- record the cropland acreage under easement according to 3-CM
- require a reduction in DCP base acres, if applicable
- request a refund of DCP payments, if applicable.--\*

## 426 Eligible and Ineligible Land Uses for Base Acreage (Continued)

**I Haying and Grazing of Cropland Under, State Conservation Program, Other Conservation Program, or Restrictive Easement Except WRP, WBP, and EWP Flood Plain Easements**

\*--Land under any of the following may be eligible for DCP provided the easement or--\* agreement, as applicable, allows haying and/or grazing of the acreage on an annual basis under “normal” circumstances.

- easements other than WRP, WBP, or EWP
- State conservation programs
- other conservation programs.

For the purposes of this paragraph, “normal” circumstances allow haying and/or grazing on an annual basis, including situations where haying and/or grazing is limited to a specific time period of the year.

**Important:** The following haying/grazing provisions are **not** considered “normal” circumstances:

- limited only to when emergency conditions exist
- not allowed on an annual basis.

**Example 1:** Land is placed under an easement that prohibits all cropping. The easement prohibits all haying. However, the easement allows grazing of the acreage every third year of the life of the easement.

The easement terms do not allow grazing on an annual basis; therefore, the land is **not** eligible for DCP.

**Example 2:** Land is placed under an easement that prohibits all cropping. The easement prohibits haying and grazing of the acreage, except in emergency situations, as determined by the easement terms. Accordingly, the land is **not** eligible for DCP.

**Example 3:** Land is placed under an easement that prohibits all cropping. The easement prohibits haying and grazing of the acreage except for the time period of August 1 through September 30 of each year.

The easement terms allow haying or grazing except for specific time period; therefore, the land is eligible for DCP, provided **all** other requirements are met.

\*--Land enrolled in CRP or GRP is **not** eligible to be enrolled in DCP, see subparagraph J. Land under CRP easement or practice lifespan requirements is **not** eligible to be enrolled in DCP, see subparagraph K.--\*

**426 Eligible and Ineligible Land Uses for Base Acreage (Continued)****\*--J Land Enrolled in CRP or GRP**

Land enrolled in CRP or GRP is **not** eligible to be enrolled in DCP.

Enrollment of land into CRP or GRP may require:

- reduction of DCP base acres

**Note:** See paragraph 426.5.

- refund of DCP payments.

**Note:** Subparagraph I does not apply to land under CRP or GRP.

**K Land Under CRP Easement or Practice Lifespan Requirement**

Land under CRP easement or practice lifespan requirement:

- is **not** eligible to be enrolled in DCP
- shall be maintained in the automated system according to 3-CM.

For CRP signups 10, 11, and 12, participants that enrolled land in CRP to be devoted to certain CRP practices agreed to place the land under 1 of the following:

- 15- or 30-year easement
- 15- or 30-year practice lifespan requirement.

The terms and conditions of the CRP easement and practice lifespan requirements continue:

- after the CRP-1 expires, for the life of the easement or practice lifespan
- the prohibition of cropping, haying, and grazing the acreage.

**Note:** Subparagraph I does not apply to land under CRP easement or practice lifespan requirement.--\*

**\*--426.5 Acre Reductions for CRP or GRP Enrollment**

**A General Rule**

The same land on a farm cannot be enrolled in DCP and either of the following at the same time:

- CRP
- GRP.

The sum of the following shall not exceed DCP cropland on the farm, except to the extent there is an established double-cropped history on the farm:

- all DCP base acres, including peanut base acres
- cropland enrolled in:
  - CRP
  - EWP
  - WBP
  - WRP
- cropland or DCP cropland enrolled in GRP
- cropland enrolled in any conservation program for which payments are made in exchange for not producing an agricultural commodity.

**B When to Determine Reduction Acres**

County Offices shall calculate the number of acres on a farm that may be enrolled in CRP or GRP without requiring a reduction to DCP base acres at the time the producer submits CRP-2, CRP-2C, or CCC-920.

When the producer determines to reduce DCP base acres on a farm because of enrollment into CRP or GRP, the producer must complete CCC-505 at the time the acres are being offered for CRP or GRP.

**Note:** Some producers may elect to modify the number of acres to be offered for CRP or GRP instead of reducing DCP base acres on the farm.--\*



## \*--426.5 Acre Reductions for CRP or GRP Enrollment (Continued)

**C Determining Reduction Acres**

County Offices shall use the following table to determine whether enrolling land into CRP or GRP will require a reduction in:

- DCP base acres
- number of acres offered for CRP
- number of acres offered for GRP.

Step	Action	
1	Print FSA-156EZ for farm on which the acres are being offered for enrollment into CRP or GRP. See 3-CM, paragraph 322 to print FSA-156EZ.	
2	From the FSA-156EZ, sum the farm's effective DCP cropland acres and double-cropped acres.	
3	From the FSA-156EZ, sum the base acres for each covered commodity on the farm.	
4	Subtract the result of step 3 from the result of step 2.	
5	<b>IF the result of step 4 is...</b>	<b>THEN...</b>
	negative	<ul style="list-style-type: none"> <li>• 1 or more tracts on the farm are out of balance</li> <li>• correct the out-of-balance tracts according to 3-CM, and return to step 1.</li> </ul>
	zero	<p>no cropland or DCP cropland acres on the farm can be enrolled into CRP or GRP unless DCP base acres are reduced in an amount equal to the number of acres offered for CRP or GRP.</p> <p><b>Note:</b> Land that does not meet the definition of either cropland or DCP cropland may be eligible to be enrolled in GRP. Enrollment of this land into GRP has no impact on any of the following:</p> <ul style="list-style-type: none"> <li>• total cropland on the farm</li> <li>• total DCP cropland on the farm</li> <li>• DCP base acres.</li> </ul>
	greater than zero	<ul style="list-style-type: none"> <li>• cropland acres or DCP cropland acres in an amount equal to the result of step 4 may be enrolled in CRP or GRP without a reduction to DCP base acres on the farm</li> <li>• cropland acres or DCP cropland acres in an amount exceeding the result of step 4 may <b>not</b> be enrolled in CRP or GRP without a corresponding reduction in DCP base acres on the farm.</li> </ul> <p><b>Note:</b> Land that does <b>not</b> meet the definition of either cropland or DCP cropland may be eligible to be enrolled in GRP. Enrollment of this land into GRP has no impact on any of the following:</p> <ul style="list-style-type: none"> <li>• total cropland on the farm</li> <li>• total DCP cropland on the farm</li> <li>• DCP base acres.</li> </ul>

--\*

**\*--426.5 Acre Reductions for CRP or GRP Enrollment (Continued)****D Producer Options**

When enrollment in CRP or GRP will result in a reduction of DCP base acres on the farm, the owner shall, at the time CRP-2, CRP-2C, or CCC-920 is submitted, elect 1 of the following:

- reduce the number of acres offered for CRP or GRP to an amount that results in no reduction to DCP base acres
- execute CCC-505 to reduce applicable number of DCP base acres on the farm
- reduce a combination of the number of acres offered for CRP or GRP and the number of DCP base acres on the farm.

**Note:** When CCC-505 is executed because of land offered for enrollment in CRP or GRP, DCP base acres shall not be reduced until:

- applicable CRP-1 becomes effective
- CCC-920 is approved.

If acres offered for CRP or GRP are not accepted in CRP or GRP, applicable DCP base acres shall **not** be reduced.

**Example 1:** FSN 1 consists of the following:

- 100 acres effective DCP cropland
- 100 acres cropland
- 0 double-cropped acres
- 90 DCP base acres.

Owner of FSN 1 offers 15 cropland acres for enrollment in CRP during CRP signup 29. The number of cropland acres that may be enrolled in CRP on FSN 1 without requiring a reduction to DCP base acres is 10 acres ( $100 + 0 - 90 = 10$ ). Therefore, the owner must elect 1 of the following at the time CRP-2 is submitted:

- reduce the number of cropland acres offered for CRP by at least 5 acres
- execute CCC-505 to reduce DCP base acres by at least 5 acres
- reduce a combination of the number of acres offered for CRP and the number of DCP base acres by a total of 5 acres.--\*

**\*--426.5 Acre Reductions for CRP or GRP Enrollment (Continued)****D Producer Options (Continued)**

**Example 2:** FSN 200 consists of the following:

- 100 acres effective DCP cropland
- 75 cropland acres
- 25 double-cropped acres
- 125 DCP base acres.

Owner of FSN 200 offers 15 cropland acres for enrollment in CRP during CRP signup 29. The number of cropland acres that may be enrolled in CRP on FSN 200 without requiring a reduction to DCP base acres is 0 acres ( $100 + 25 - 125 = 0$ ). Therefore, the owner must elect 1 of the following at the time CRP-2 is submitted:

- not offer any cropland acres for enrollment in CRP
- execute CCC-505 to reduce DCP base acres by at least 15 acres
- reduce a combination of the number of acres offered for CRP and the number of DCP base acres by a total of 15 acres.

**Example 3:** FSN 50 consists of the following:

- 60 acres effective DCP cropland
- 50 acres cropland
- 0 double-cropped acres
- 50 DCP base acres.

Owner of FSN 50 offers 20 cropland acres for enrollment in GRP. The number of cropland acres that may be enrolled in GRP on FSN 50 without requiring a reduction to DCP base acres is 10 acres ( $60 + 0 - 50 = 10$ ). Therefore, the owner must elect 1 of the following at the time CCC-920 is submitted:

- reduce the number of acres offered for GRP by at least 10 acres
- execute CCC-505 to reduce DCP base acres by at least 10 acres
- reduce a combination of the number of acres offered for GRP and the number of DCP base acres by a total of 10 acres.--\*

**\*--426.5 Acre Reductions for CRP or GRP Enrollment (Continued)****D Producer Options (Continued)**

**Example 4:** FSN 300 consists of the following:

- 60 acres effective DCP cropland
- 50 acres cropland
- 0 double-cropped acres
- 50 DCP base acres.

Owner of FSN 300 offers 10 acres of DCP cropland that does not meet the definition of cropland for enrollment in GRP. The number of acres of DCP cropland acres that may be enrolled in GRP on FSN 300 without requiring a reduction to DCP base acres is 10 acres ( $60 + 0 - 50 = 10$ ). Therefore, the owner is not required to reduce either DCP base acres or the number of acres offered to enroll in GRP.

**Example 5:** FSN 400 consists of the following:

- 60 acres effective DCP cropland
- 60 acres cropland
- 0 double-cropped acres
- 60 DCP base acres.

Owner of FSN 400 offers 40 non-cropland/non-DCP cropland acres for enrollment in GRP. The number of DCP cropland acres that may be enrolled in GRP on FSN 400 without requiring a reduction to DCP base acres is 0 acres ( $60 + 0 - 60 = 0$ ). However, the acres offered for enrollment in GRP are non-cropland/non-DCP cropland acres. Therefore, the owner is not required to reduce either DCP base acres or the number of acres offered to enroll in GRP.

**E When to Complete CCC-505 to Reduce DCP Base Acres**

When the producer elects to reduce DCP base acres because of enrollment in CRP or GRP, the producer shall complete CCC-505 at the time the acres are offered for CRP or GRP.

**F Effective Date of DCP Base Acre Reduction for CRP**

DCP base acre reductions required because of CRP participation shall become effective for the FY the corresponding CRP-1 becomes effective.--\*

**\*--426.5 Acre Reductions for CRP or GRP Enrollment (Continued)****F Effective Date of DCP Base Acre Reduction for CRP (Continued)**

The program year entered on CCC-505 shall be the program year in which the corresponding CRP-1 becomes effective. Service Center shall file copy of CCC-505 in both applicable DCP farm folder and CRP folder, when DCP base acres are reduced because of CRP participation.

**Example:** Cropland is offered for enrollment in CRP on May 5, 2003 (CRP signup 26). If approved, CRP-1 will become effective October 1, 2004. CCC-505 to reduce DCP base acres was signed by all owners at the time CRP-2 was submitted (May 5, 2003) with a program year of 2005 (equal to FY of CRP-1).

If CRP-1 is approved, DCP base acre reductions will become effective October 1, 2004 (FY 2005). If acres offered for CRP are **not** accepted, DCP base acres shall **not** be reduced.

**Important:** Reduction of DCP base acres may result in DCP overpayment and request for refund.

**G Effective Date of DCP Base Acre Reduction for GRP**

DCP base acre reductions because of GRP participation shall be effective as follows:

- date GRP easement is filed, if land was enrolled using an easement
- date CCC-920 is approved by CCC.

Service Center shall file copy of CCC-505 in both applicable DCP farm folder and GRP folder.

**Important:** Reduction of DCP base acres may result in DCP overpayment and request for refund.--\*

**\*--426.5 Acre Reductions for CRP or GRP Enrollment (Continued)****H Restoration of DCP Base Acres Reduced for Enrollment in CRP on or After May 13, 2002**

DCP base acres reduced because of cropland enrollment into CRP on or after May 13, 2002, may be restored to the farm if the CRP contract is voluntarily terminated on or before September 30, 2007, provided there is sufficient DCP cropland available and all other requirements are met.

**Note:** There is no authority to restore base acres after September 30, 2007.

**Important:** To ensure the applicable base acres may be restored to a farm, CCC-505 must include all information required according to paragraph 66, including the information required in the remarks section of CCC-505. Incomplete CCC-505's may result in base acres not being restored to a farm.

**I Restoration of DCP Base Acres Reduced for Enrollment in GRP**

DCP base acres reduced because of enrollment into GRP may be restored to the farm when both of the following are met, provided there is sufficient DCP cropland available and all other requirements are met:

- land is no longer enrolled in GRP
- life of easement has expired.

**Important:** To ensure the applicable base acres may be restored to a farm, CCC-505 must include all information required according to paragraph 66, including the information required in the remarks section of CCC-505. Incomplete CCC-505's may result in base acres not being restored to a farm.--\*

**\*--Section 2    Producer Eligibility****445    General Information****A    Eligible Producer**

Producers eligible to enter into a contract for an FY are:

- an owner of a farm who assumes all or part of the risk of producing a crop
- a producer (other than an owner) on a farm with a share-rent lease for the farm for the crop year covered by the FY contract
- a producer on a farm who cash rents the farm for the crop year covered by the FY contract.

**B    Terms of Enrollment**

Producers who participate in DCP must fully comply with the terms and conditions of DCP contract, and in return will receive direct payments and counter-cyclical payments, if applicable.--\*

## 445 General Information (Continued)

**\*--C DCP Signup Dates and Requesting Advance Payments--\***

Eligible producers on a farm with established bases and yields shall have an opportunity to enroll the farm into an annual DCP contract for each of the years 2002 through 2007 according to the following table.

**Important:** Producers who elect to enroll a farm in DCP shall enroll **all** base acres of the farm. COC shall **not** approve CCC-509 unless all base acres on the farm are enrolled.

<b>Year of Contract</b>	<b>Signup Dates</b>
2002 DCP Contract	October 1, 2002, through June 1, 2003
2003 DCP Contract	October 1, 2002, through June 1, 2003
2004 DCP Contract	October 1, 2003, through June 1, 2004
2005 DCP Contract	October 1, 2004, through June 1, 2005
2006 DCP Contract	October 1, 2005, through June 1, 2006
2007 DCP Contract	October 1, 2006, through June 1, 2007

**Note:** If June 1 falls on a nonworkday, follow procedure in 1-CM, paragraph 2.

\*--Advance direct and counter-cyclical payments may be issued to producers who have an approved CCC-509 and meet all other eligibility requirements. County Offices shall follow 2-DCP, paragraph 17 to determine when advance direct and counter-cyclical payments can be elected and issued.--\*



## Reports, Forms, Abbreviations, and Delegations of Authority

### Reports

None

### Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification		6, 7, 250, 251, 252, 390, 428, Ex. 4
CCC-64	Surety Bond (Minor)		448
CCC-184	CCC Check		1, 543
CCC-478	Production Flexibility Contract		100, 718, Ex. 2
CCC-490	2003 Crop Hard White Wheat Program Application	572	5
CCC-502	Farm Operating Plan for Payment Eligibility Review		6, 7, 250, 390, Ex. 4
CCC-505	Voluntary Permanent Direct and Counter-Cyclical Program (DCP) Base Acreage Reduction	66	65, 276, 331, 334, 425, 426, 426.5, 470, 471
CCC-509	Direct and Counter-Cyclical Program Contract	332	Text, Ex. 2, 4
CCC-509 Appendix	Appendix to Form CCC-509, Direct and Counter-Cyclical Program Contract	332	11, Ex. 2
CCC-509B	<b>Note:</b> CCC-509B will be forthcoming.		793, 801, 810, 811
CCC-515	Direct and Counter-Cyclical Program (DCP) Base and Yield Election Form	303	13, 136.6, 300, 304, 617, 625, 626, 629.5, 631-638
CCC-517	Direct and Counter-Cyclical Program (DCP) Tract Redistribution Form		13, 303, 304, 334, 617, 625, 627, 629, 629.5, 636
CCC-522	Tract Owner Selection of Initial or Subsequent Crop Acreage History	301	13, 302, 617, 619-621, 629.5
CCC-526	Payment Eligibility Adjusted Gross Income Certification		6, 7, 390, Ex. 4

## Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

## Forms (Continued)

Number	Title	Display Reference	Reference
CCC-530	Peanut Quota Holder Buyout Program Contract (QBOP)	540	525, 526, 528, 530, 541, 543, Ex. 2
CCC-530 Appendix	Appendix to Form CCC-530, Peanut Quota Buyout Program Contract (QBOP)	540	Ex. 2
CCC-530 Continuation	Peanut Quota Holder Buyout Program Contract (QBOP) Continuation Sheet	540	541
CCC-531	2002 Peanut Direct and Counter-Cyclical Program Contract (DCP)		250, 252, 253, Ex. 2
CCC-531 Appendix	Appendix to Form CCC-531, 2002 Peanut Direct and Counter-Cyclical Program Contract (DCP)		250, Ex. 2
CCC-576	Notice of Loss and Application for Payment Noninsured Crop Disaster Assistance Program	473.5	474
CCC-920	Grassland Reserve Program Contract		66, 426.5
CRP-1	Conservation Reserve Program Contract		66, 67, 331, 425, 527, 604,
CRP-15	Agreement for Reduction of Bases, Allotments and Quotas		67, 331, 425
FCI-19	Crop Insurance Acreage Report		477
FSA-155	Request for Farm Reconstitution		331
FSA-156-EZ	Abbreviated 156 Farm Record and Tract Listing		100
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		252, 394, 530
FSA-375 (Peanuts)	Transfer of Peanut Quota		526
FSA-540	Notification of Bases and Yields for DCP		137, 300, 617, 628, 630
FSA-578	Report of Acreage		Text
FSA-658P	Producer's Record of Production	138	101, 131, 137, 137.1, 139, 150-158, 300, 304, 611, 613

## Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

### Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

<b>Approved Abbreviations</b>	<b>Term</b>	<b>Reference</b>
APH	actual production history	138, 139
CLU	common land unit	334
CRS	Common Receivable System	543
EFT	electronic funds transfer	542
FAV	fruit and vegetable	Text, Ex. 15
GRP	Grassland Reserve Program	52, 66, 426, 426.5
HWWIP	Hard White Wheat Incentive Program	Text
MPL	marginal pasture land	603, 604, 718
OP	operator	139
OT	other tenants	845
OW	owner	139
PLM	payment limitation (file)	252
QBOP	Quota Buyout Program	Part 10, Ex. 2

### Redelegations of Authority

COC may redelegate authority to approve CCC-505's and CCC-509's to CED, in routine cases.



**List of FAV's**

The following crops are FAV's. The list may not be all inclusive.

acerola ("barbados cherry")	canary melon
antidesma	cantaloupes
apples	cardoon
apricots	casaba melon
aragula	cassava
artichokes	cherries
asparagus	*--chick-peas/garbanzo beans--*
atemoya ("custard apple")	chinese bitter melon
avocados	chinese mustard
babaco papayas	chicory
bananas	chinese cabbage
beans (except soybeans, mung, adzuki, faba, and lupin)	* * *
beets (other than sugar)	chinese water chestnuts
blackberries	chufes
black-eyed peas	citron
blueberries	citron melon
bok spare choy	coffee
boysenberries	collards
breadfruit	cowpeas
broccoflower	crabapples
broccolo-cavalo	cranberries
broccoli	cressie greens
brussel sprouts	crenshaw melons
cabbage	cucumbers
cailang	currants
caimito	cushaw
calabaza	daikon
carambola ("star fruit")	dasheen
calaboose	dates
carob	dry edible beans
carrots	dunga
cascadeberries	eggplant
cauliflower	elderberries elut
celeriac	endive
celery	escarole
chayote	etou
cherimoyas ("sugar apples")	feijoas
	figs

**\*--List of FAV's (Continued)**

gai lien	mongosteen
gailon	moqua
galanga	mulberries
genip	murcotts
gooseberries	mushrooms
grapefruit	mustard greens
grapes	nectarines
guambana	nuts (except peanuts)
guavas	ny Yu
guy choy	okra
honeydew melon	olallieberries
huckleberries	olives
jackfruit	onions
jerusalem artichokes	opo
jicama	oranges
jojoba	papaya
kale	paprika
kenya	parsnip
kiwifruit	passion fruits
kohlrabi	peaches
kumquats	pears
leeks	peas
lemons	all peppers
lettuce	persimmon
limequats	persian melon
limes	pimentos
lobok	pineapple
loganberries	pistachios
longon	plantain
loquats	plumcots
lotus root	plums
lychee ("litchi")	pomegranates
mandarins	potatoes
mangos	prunes
marionberries	pummelo
mar bub	pumpkins
melongene	quinces
mesple	radiochio
mizuna	radishes--*

**List of FAV's (Continued)**

raisins	swiss chard
raisins (distilling)	sweet corn
rambutan	sweet potatoes
rape greens	tangelos
rapini	tangerines
raspberries	tangos
recao	tangors
*--rhubarb	taniers
rutabaga--*	taro root
santa claus melon	tau chai
salsify	teff
saodilla	tindora
sapote	tomatillos
savory	tomatoes
scallions	turnip greens
shallots	turnips
shiso	watercress
spinach	watermelons
squash	white sapote
strawberries	*--yams
suk gat	yu choy--*

